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**Testimony of
The Young Women's Leadership Program
Before the Government Administration and Elections Committee
Monday, March 23, 2009**

In Support of:

S.B. 327, AA Establishing a State Savings Plan for Recent College Graduates Who Work in Connecticut

Senator Slossberg, Representative Spallone and members of the committee, thank you for this opportunity to provide testimony on behalf of the Young Women's Leadership Program (YWLP), a project of the Permanent Commission on the Status of Women (PCSW). The YWLP is the leading networking and leadership program for women ages 18-35.

Connecticut has lost more 20-34 year olds since 1990 than any other state.¹ The shrinking labor pool of young professionals and families may deter business from coming, staying or expanding in the state. Over the next 10 years the baby boomer generation will hit retirement age and Connecticut will face a shortage of skilled, educated workers.

S.B. 327, AA Establishing a State Savings Plan for Recent College Graduates Who Work in Connecticut, creates incentives for young professional women to stay and seek employment in the state. The PCSW and the YWLP strongly support this proposal. This bill would establish the Connecticut Graduates' First Home Purchase Fund which would help students who recently graduated from college that work in the state to save for the cost of buying a home.

Many young people are deterred from staying in the State of Connecticut because of the high cost of housing. From 1995-2000, Connecticut lost over 6,000 young, single college educated persons. This means the State has spent time, energy and money on providing an educated workforce for other states.

Consumers in their 20s are more likely to purchase property at a younger age than their older family members. These individuals are not necessarily waiting for marriage or even a long-term relationship before becoming homeowners.² Single females represent the fastest growing segment of the home buyers market. The proportion of single women buying homes has increased, from 14% in 1995 to 21% while the single men make up 9% of buyers.³

We support the creation of initiatives such as these to encourage young women to stay in Connecticut and applaud the committee for your attention to this important issue.

¹ HomeConnecticut.org

² <http://www.floridahomeloan.com/2006/09/younger-first-time-home-buyers-enter.html>

³ <http://www.realtor.org/unodaily.nsf/0/ec%b3798c397dc42862571ea00594a7c?OpenDocument>



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Research Brief

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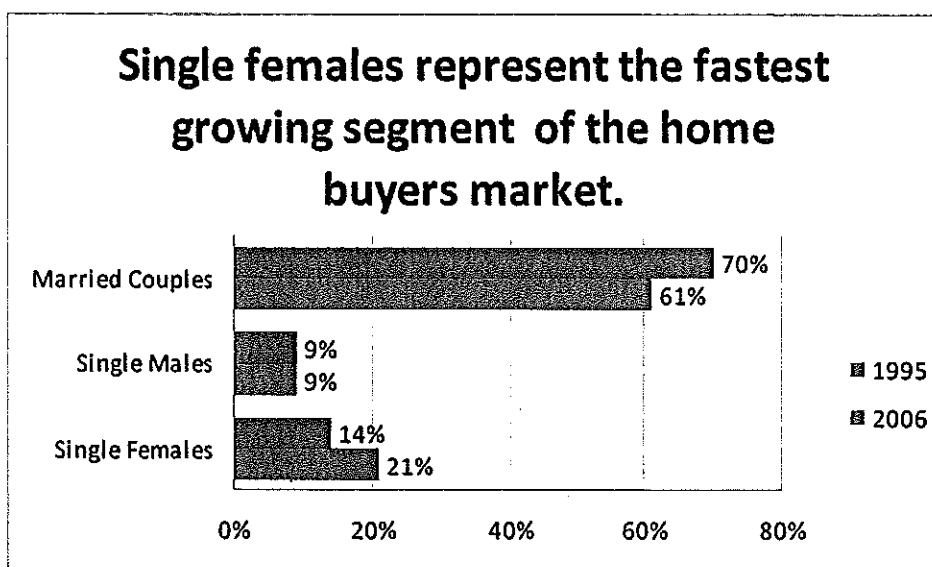
Young Women and Housing

Connecticut has lost more 20-34 year olds since 1990 than any other state, in large part due to the high cost of housing. The shrinking labor pool of young professionals and families may deter business from coming, staying or expanding in the state. Over the next 10 years the baby boomer generation will hit retirement age and Connecticut will face a shortage of skilled, educated workers. Creating more affordable housing is critical to encouraging more young women to stay in Connecticut. Below are some key facts about young women and housing.

Young Women and Housing

- Only 20% of the Connecticut population is between the ages of 18-34.ⁱ
- Only 10% of the Connecticut Population is female between the ages of 18-34.ⁱⁱ
- Many young people are deterred from staying in Connecticut because of the high cost of housing. From 1995-2000, Connecticut lost over 6,000 young, single college educated persons. This means the state has spent time, energy and money on providing an educated workforce for other states.ⁱⁱⁱ
- Reports indicate that U.S. businesses face a shortage of millions of workers in the next 10 years due to the baby boomer generation approaching retirement.
- Consumers in their 20s are growing more and more likely to purchase property at a younger age than their older brothers and sisters - or their baby boomer parents. These individuals are not necessarily waiting for marriage or even a long-term relationship before becoming homeowners.^{iv}
- Single females represent the fastest growing segment of the home buyers market. The proportion of single women buying homes has increased, from 14% in 1995 to 21% in 2006 while single men make up 9% of buyers.^v
- Between 2000 and 2002, 7,400 more people left Connecticut than moved in. Why are they leaving? Slow growth means an aging population – Connecticut already has almost 14% over 65 while the U.S. is at 12%. In addition, there is a slight “brain drain” – every year 2000 more people with a BA degree leave Connecticut than move in.^{vi}
- A person must earn \$21.11 an hour to afford the rent for a modest two-bedroom apartment in Connecticut. This “housing wage” is the amount a person must earn to afford a typical two-bedroom apartment, without spending more than 30% of total household income on housing costs.^{vii}

- Full-time work does not provide enough income for many families to afford a modest apartment. In fact, a person earning the state's minimum wage must work nearly three full-time jobs to afford the statewide fair market rent of \$1,098 per month for a two-bedroom apartment. In terms of annual income, a Connecticut household must earn \$43,911 a year to afford a typical two-bedroom rental.^{viii}
- The Stamford-Norwalk metropolitan area is the most expensive rental market in the entire country - surpassing cities such as Honolulu, San Francisco, New York and Boston – with a “housing wage” of \$31.58 an hour.^{ix}
- In terms of statewide averages, Connecticut is the seventh least affordable rental housing market in the country.^x



Recommendations

The Young Women's Leadership Program supports proposals to increase the number of affordable housing units and homeownership opportunities.

ⁱ U.S. Census American Community Report 2006

ⁱⁱ U.S. Census American Community Report 2006

ⁱⁱⁱ HOMEConnecticut.org

^{iv} <http://www.floridahome.com/2006/09/younger-first-time-home-buyers-enter.html>

^v <http://www.realtor.org/rmodulynsf/0/ec9b3798c397dc42862371ea00594a7c/OpenDocument>

^{vi} UCONN center for continuing studies

^{vii} CT Housing Coalition & the National Low Income Housing Coalition, Out of Reach Report, 2008

^{viii} CT Housing Coalition & the National Low Income Housing Coalition, Out of Reach Report, 2008

^{ix} CT Housing Coalition & the National Low Income Housing Coalition, Out of Reach Report, 2008

^x CT Housing Coalition & the National Low Income Housing Coalition, Out of Reach Report, 2008